

Tender for Sur power project by year-end

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MUSCAT: Oman Power and Water Procurement Company (OPWP) is expected to float an initial tender linked to the development of the planned 1,500MW independent power project in Sur before the end of this year.

"Currently, the company is in the process of preparing all necessary documents. The internal process has already been started," said an official, familiar with the execution of the project.

"The documents will be finalised soon and the initial tenders will be floated by end of the year," he said, on condition of anonymity.

OPWP earlier said that the company expects to issue a request for proposal (RfP) for the 1,500MW IPP around this month, which is subject to securing the necessary environmental and regulatory consents. The RfP will invite proposals for around 400MW of early power ahead of summer peak demand in 2013 and full commissioning of 1,500MW ahead of 2014 summer peak demand.

OPWP had originally proposed a new IWPP at the Al Ghubrah site to take advantage of existing infrastructure and allow older plant to be retired to improve environmental compliance at the site. However, in line with best international environmental practices, the Sultanate is seeking to locate new power stations away from residential areas. "The government dropped the plan to expand generation capacity of Al Ghubrah plant due to its proximity to the centre of Muscat city," added the official.

However, OPWP said that a large scale reverse osmosis technology water project of around 40MIGD will be developed at the Al Ghubrah site to safeguard growing water demand requirements in the Muscat region and further improve environmental conditions at the site. This is subject to securing environmental consent.

Availability of gas

The proposed location of the IPP on the industrial site at Sur is ideal for the development of a large scale power plant. Gas will be available by tapping into existing pipeline feeding the Oman LNG plant, which runs on the outskirts of the proposed site. Oman Electricity Transmission Company (OETC) is already implementing projects to reinforce the transmission system around Sur, which will allow power to be efficiently exported to the main interconnected system.

Industry sources said that the two green field power projects (Barka 3 and Sohar 2) each with a planned generation capacity of 744 MW each, an IWPP in Salalah and the proposed Sur project will meet the country's additional demand for power for another seven years.

According to OPWP, the demand for electricity is expected to grow by 8.5 per cent or 374 MW per annum in the main interconnected system (MIS) for another five to six years to reach 6043 MW by 2016.